



City of San Diego



**City of San Diego
Park and Recreation Department
Golf Division**

**Proposed Golf Division
Business Plan**

**Park and Recreation Board
June 21, 2012**





Background

- Municipal golf program since 1932
- Enterprise Fund since 1991
- Previous Business Plan in 2006
- Current golf market place
 - National economic downturn
 - Decline in the number of golfers since 2000
 - Increase in availability of local golf courses
 - Competitive pricing



Ad Hoc Advisory Committee

- Committee Composition
 - Ten members and a Chairperson
 - Broad section of community stakeholders
 - Long-term City / Golf Division relationships
 - ✓ Men's & Women's Clubs
 - ✓ Lessees
 - ✓ Hotels
 - ✓ Junior Golf



Public Input Process

- Community Meetings
 - Conducted over eight month period
 - Nine informational meetings
 - ✓ Six meetings to review key elements of proposed Business Plan
 - ✓ One workshop for open discussion
 - ✓ Two meetings to refine elements previously discussed
 - Two meetings to review and refine final draft
- Website
 - Agendas, minutes and related documents posted on City Web site



Financial Position

	FY 2012 Budget	FY 2012 Projection (1)
Revenue	\$ 15.9M	\$ 17.3M
Expenses	\$ 14.8M	\$ 14.6M
Difference	\$ 1.1M	\$ 2.7M

(1) Report to City Council, FY 2012
Year-End Budget Monitoring Report, May 23, 2012



Customer Satisfaction

- 9,468 golfers surveyed
- 88% - 95% of all golfers satisfied
- 94% - combined weighted average for the Division

Golf Course Satisfaction	Excellent	Good	Fair	Poor	Very Poor	Not Sure	Satisfaction (Excellent, Good or Fair)
Balboa Park	16%	58%	21%	4%	3%	0%	95%
Mission Bay	11%	48%	29%	10%	3%	1%	88%
Torrey Pines	49%	39%	7%	4%	1%	0%	95%



Key Business Plan Areas

- Rate Overview
 - No rate increases being proposed for any course, including the Resident ID Cards
 - No rate increases until July 2013 (FY 2014)



Key Business Plan Areas

● Flexibility

- Gives Park and Recreation Director authority to increase or decrease rates under defined circumstances
 - ✓ The most critical component as recommended by the Ad Hoc Advisory Committee
 - ✓ Specials and Promotions
 - Up to 50 % reduction
 - Any time throughout the year
 - Report annually on the outcome
 - ✓ Increases
 - No increases until July 2013 (FY 2014)
 - 5% maximum annually
 - Public input required prior to implementation



Key Business Plan Areas

- Plan Duration
 - A “rolling plan” versus a prescribed duration
 - Specific recommendation by the Ad Hoc Advisory Committee so as to maximize responsiveness to market conditions and operational necessities
 - Annual updates to the Park and Recreation Board
 - Ability to allow for a new or updated plan as needed



Future Role of Park and Recreation Board

- Review Golf Division's annual operations
 - Financial position
 - Status of capital projects
 - Performance of promotional rates
 - Proposed marketing and operational strategies
- Review any proposed fee increases



Key Business Plan Areas

● Resident Access

- Providing Resident access remains high priority
- Annual goal to provide residents access to 70% of available tee times at Torrey Pines
- If / when required, a mechanism would be implemented to ensure Resident access at other complexes



Key Business Plan Areas

● Program Support

- Continue to maintain and support all club play
- Junior and high school golf remains a high priority
- Research avenues for involvement with college golf and top amateur competitions
- Explore additional programs that generate interest, promote player development, sustain golf play and are good for the game of golf



Key Business Plan Areas

● Marketing Plan

- Develop a comprehensive Marketing Plan
- Hire a Public Information Officer
- Initiate use of social networking and web technologies to penetrate target markets
- Brand, promote and partner to increase revenue to ensure the long term health of the Golf Enterprise Fund



Key Business Plan Areas

● Capital Improvements

- Invest in facilities to preserve resources and enhance player experience
 - ✓ Protect, sustain and enhance current capital assets
 - ✓ Increase course resilience and introduce sustainable practices
 - ✓ Increase programmatic opportunities
 - ✓ Increase revenue potential
- Important projects
 - ✓ Balboa Park Clubhouse
 - ✓ Mission Bay Clubhouse
 - ✓ Mission Bay irrigation and electrical / lighting
 - ✓ Torrey Pines North Course improvements



Conclusion

- Business Plan approval provides
 - Continued Resident priority access to golf courses
 - Tools to successfully operate in a highly competitive market
 - ✓ Opportunistically adjust to market demands
 - ✓ Operate in a timely and flexible capacity
 - Flexible strategies for development of financial resources necessary to sustain golf operations
 - Resources to complete critical deferred maintenance projects and essential capital improvements



Next Step(s)

- July 25th
 - Present Business Plan to Natural Resources and Cultural Committee
- September (date TBD)
 - Present Business Plan to City Council



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Questions?